

## EDITORIAL

Since the 1990s the legal and regulatory framework for civil society has undergone remarkable changes. As in other countries, decision makers in Japan have recognized the role the NPO sector can play in fostering domestic economic growth, addressing social problems and cooperating with the government in meeting the challenges of an aging society. This issue's ARTICLES section starts with a contribution by *Karla W. Simon* analyzing the recent Japanese reforms. Their results have established a regulatory framework for NPOs which may well serve as a model even for other countries. Thereafter, *Christoph Sokolowski* looks back at the origins of modern Japanese law in the *Meiji* era focusing in particular on the role European, last not least German, advisors have played in the modernization process. The following contribution by *Sôichirô Kozuka* and *Jiyeon Lee* on the new Japanese Insurance Act, scheduled to enter into force on April 1, 2010, brings us back to the present.

The effectiveness of Japanese corporate governance has been a hot topic for quite some time. Past issues of the Journal have shed light on various aspects of the discussion. In recent years, hostile takeovers have attracted particular interest. Many commentators have predicted that in Japan, as in the US, a market for corporate control would develop. Based on case studies and empirical evidence *Dan W. Puchniak* challenges the prevalent view arguing that hostile takeovers so far have been, and are likely to remain, rather insignificant for the restructuring of the Japanese economy.

In the third and last part of their series on ADR in Japan, *Harald Baum* and *Eva Schwittek* give an introduction to the recent codification of mediation proceedings.<sup>1</sup> In a thematically corresponding contribution *Felix Burkei* evaluates Japanese rules on arbitration, which underwent fundamental reform five years ago. *Dai Yokomizo* discusses some private international law issues arising from the cross-border exchange of music content and trade secrets.

The following two articles deal with tax law. *Michael H. Shikuma* and *Takeo Mizutani* examine the new measures introduced by the Japanese government on April 1, 2009 in order to reduce the potential Japanese tax burden on foreigners investing in private equity funds. *Miyuki Ueda* compares the different methods used to avoid international double taxation of dividends in Germany and Japan, focusing on the new Japanese foreign-dividends *ekikin fu-sannyû* rules. The section closes with an article by *Otmar Stöcker* on

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<sup>1</sup> See the earlier contributions by the authors in ZJapanR /J.Japan.L. 26 (2008) 5 et seq. (on historical continuities and discontinuities) and in: ZJapanR /J.Japan.L. 27 (2009) 127 et seq. (on conciliation).

practical issues of real estate financing in Japan and the ways of using Japanese mortgages as cover assets of a German *Pfandbrief*.

Titled CONFERENCE the following section summarizes various short reports from a symposium organized in November 2008 in Tokyo by the “Transparency of Japanese Law Project”. As reported in an earlier issue of the Journal,<sup>2</sup> this internet-based project has substantially contributed to making Japanese statutes and case law available in English.

In the CASE LAW section *Martin Arnold* comments on a 2008 decision by the Japanese Supreme Court regarding the tax treatment of a silent partnership between a Dutch-resident company and a group subsidiary in Japan. *Dan Tidten* gives an overview of major Supreme Court decisions in civil law matters in 2006, thus continuing the last report in issue No. 24 (2007).

Finally, several REVIEWS introduce new western publications from various fields of Japanese law. *Christopher Vogl* reports on his time as an exchange student at Kyoto Sangyo University.

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*Harald Baum*

*Moritz Bälz*

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<sup>2</sup> CAROL LAWSON, Found in Translation. The Transparency of Japanese Law Project in Context. ZJapanR / J.Japan.L. 24 (2007) 187 et seq.